

CITY COUNCIL WORK SESSION

January 20, 2009

The Willmar City Council met in a work session at 5:00 p.m., Tuesday, January 20, 2009, in Conference Room No. 2 at the City Office Building.

Members present included Mayor Les Heitke and Council Members Denis Anderson, Doug Reese, Tim Johnson, Bruce DeBlieck, Steve Ahmann, Rick Fagerlie, Jim Dokken and Ron Christianson; and City Administrator Michael Schmit. Others present included Public Works Director Mel Odens; Police Chief Jim Kulset; Fire Chief Marv Calvin; and David Little with the West Central Tribune.

As a way of introduction, Mayor Heitke briefly discussed the State's budget deficit and the process and schedule for consideration of the Governor's 2009 budget proposals and legislative session. The Mayor talked about possible Council considerations and plans of action, noting that Staff is in the process of reviewing recently-adopted 2009 budgets for adjustment recommendations. Citing the City's relatively strong economic position, the Mayor was encouraging the Council and general public to proceed with caution and restraint pending the Legislature's work.

Also discussed were the future of non-departmental expenditures and the status of various capital projects, i.e. what happens to our improvement programs given the likelihood of cuts in State aids. The Mayor acknowledged that Administration has begun the process of re-evaluating 2009 budgets for adjustments, that vacant positions are not currently being filled, and that major capital equipment purchases and improvement projects are being postponed until the City has better budget information.

Mayor Heitke talked about current City policies regarding the use of reserves and fund balances and noted that the Governor is pledging to reduce burdens to local government through State-mandated programs. The Mayor concluded his remarks by indicating his plan to solicit input on budget use from business and civic leaders throughout the community. Plans are also under way to contact the Mayors of surrounding communities to talk about and explore the possibility for intergovernmental cooperation.

Council Member Anderson, Chair of the Finance Committee, agreed with the Mayor's assessment that we should move forward cautiously, that there's no immediate need for wholesale cuts to City services and programs, but rather that we should take a measured approach. That approach includes the development of a comprehensive financing plan establishing Council priorities and defining essential services. Council Member Anderson indicated that he was looking to Administration to develop a series of recommendations in anticipation of cuts to the Local Government Aid program.

Comments, ideas and suggestions from all Council Members were reviewed, considered and discussed in great detail throughout the 90-minute session. It was the consensus of the group as follows:

1. All City expenditures are subject to review and consideration;
2. Given the City's relatively strong financial position, not all is gloom and doom. The Council must take an objective, positive approach to resolving budget shortfalls. Current Council policies with regard to reserves and fund balances should, to the extent possible, be preserved;
3. Revenue enhancements through significant fee and tax increases should not play a major role in closing the budget gap;
4. Working closely with other governmental jurisdictions to improve efficiencies and effectiveness, reduce cost and duplication of services is strongly encouraged; and
5. The Council is responsible for policy decisions and should rely on recommendations from Staff for any cuts designed to meet Council objectives.

It was the consensus of the group that this budget review process should be absolutely transparent and that every effort be made to include and involve the general public. To that extent, the City's webpage should include a mechanism for Willmar residents to weigh in on budget priorities and ideas. Further, it was the consensus of the group that a second budget work session be set for 4:45 p.m., Monday, February 9, 2009, followed immediately by a Council Finance Committee meeting.

The being no further business the work session adjourned at 6:37 p.m.

Respectfully Submitted,

Michael Schmit,
City Administrator